



# House of Representatives

## File No. 773

General Assembly

January Session, 2003

**(Reprint of File No. 143)**

Substitute House Bill No. 6579  
As Amended by House Amendment  
Schedules "A" and "B"

Approved by the Legislative Commissioner  
May 23, 2003

### **AN ACT CONCERNING THE INSTALLATION OF FIRE SPRINKLER SYSTEMS IN NURSING HOMES AND NEW HOME CONSTRUCTION.**

Be it enacted by the Senate and House of Representatives in General  
Assembly convened:

1 Section 1. Section 29-315 of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective July 1, 2003*):

3 (a) (1) When any building is to be built having more than four  
4 stories and is to be used for human occupancy, such building shall  
5 have an automatic fire extinguishing system approved by the State Fire  
6 Marshal on each floor.

7 (2) When any building is (A) to be built as an educational  
8 occupancy, (B) eligible for a school building project grant pursuant to  
9 chapter 173, and (C) put out to bid on or after July 1, 2004, such  
10 building shall have an automatic fire extinguishing system approved  
11 by the State Fire Marshal on each floor. "Educational occupancy" shall  
12 have the same meaning as in the Fire Safety Code.

13 (b) Each hotel or motel having six or more guest rooms and

14 providing sleeping accommodations for more than sixteen persons for  
15 which a building permit for new occupancy is issued on or after  
16 January 1, 1987, shall have an automatic fire extinguishing system  
17 installed on each floor in accordance with regulations adopted by the  
18 Commissioner of Public Safety.

19 (c) Not later than October 1, 1992, each hotel or motel having more  
20 than four stories shall have an automatic fire extinguishing system  
21 approved by the State Fire Marshal on each floor.

22 (d) (1) Not later than January 1, 1995, each residential building  
23 having more than four stories and occupied primarily by elderly  
24 persons shall have an automatic fire extinguishing system approved by  
25 the State Fire Marshal on each floor. Not later than January 1, 1994, the  
26 owner or manager of or agency responsible for such residential  
27 building shall submit plans for the installation of such system, signed  
28 and sealed by a licensed professional engineer, to the local fire marshal  
29 within whose jurisdiction such building is located or to the State Fire  
30 Marshal, as the case may be. For the purposes of this subsection, the  
31 phrase "occupied primarily by elderly persons" means that on October  
32 1, 1993, or on the date of any inspection, if later, a minimum of eighty  
33 per cent of the dwelling units available for human occupancy in a  
34 residential building have at least one resident who has attained the age  
35 of sixty-five years.

36 (2) Each residential building having more than twelve living units  
37 and occupied primarily by elderly persons, as defined in subdivision  
38 (1) of this subsection, or designed to be so occupied, for which a  
39 building permit for new occupancy is issued or which is substantially  
40 renovated on or after January 1, 1997, shall have an automatic fire  
41 extinguishing system approved by the State Fire Marshal on each floor.

42 (e) No building inspector shall grant a building permit unless a fire  
43 extinguishing system as required by subsection (a) or (b) of this section  
44 is included in the final, approved building plans and no fire marshal or  
45 building inspector shall permit occupancy of such a building unless

46 such fire extinguishing system is installed and operable. The State Fire  
47 Marshal may require fire extinguishing systems approved by him to be  
48 installed in other occupancies where they are required in the interest of  
49 safety because of special occupancy hazards.

50 (f) Not later than July 1, 2005, each chronic and convalescent nursing  
51 home or rest home with nursing supervision licensed pursuant to  
52 chapter 368v shall have an automatic fire extinguishing system  
53 approved by the State Fire Marshal on each floor. Not later than July 1,  
54 2004, the owner or authorized agent of each such home shall submit  
55 plans for the installation of such system, signed and sealed by a  
56 licensed professional engineer, to the local fire marshal and building  
57 official within whose jurisdiction such home is located or to the State  
58 Fire Marshal, as the case may be, and shall apply for a building permit  
59 for the installation of such system.

60 (g) Any person who fails to install an automatic fire extinguishing  
61 system in violation of any provision of this section shall be subject to a  
62 civil penalty of not more than one thousand dollars for each day such  
63 violation continues. The Attorney General, upon request of the State  
64 Fire Marshal, shall institute a civil action to recover such penalty.

65 Sec. 2. Section 20-417d of the general statutes is repealed and the  
66 following is substituted in lieu thereof (*Effective October 1, 2003*):

67 (a) A new home construction contractor shall (1) prior to entering  
68 into a contract with a consumer for new home construction, provide to  
69 the consumer a copy of the new home construction contractor's  
70 certificate of registration and a written notice that (A) discloses that the  
71 certificate of registration does not represent in any manner that such  
72 contractor's registration constitutes an endorsement of the quality of  
73 such person's work or of such contractor's competency by the  
74 commissioner, (B) advises the consumer to contact the Department of  
75 Consumer Protection to determine (i) if such contractor is registered in  
76 this state as a new home construction contractor, (ii) if any complaints  
77 have been filed against such contractor, and (iii) the disposition of any

78 such complaints, and (C) advises the consumer to request from such  
79 contractor a list of consumers of the last twelve new homes  
80 constructed to completion by the contractor during the previous  
81 twenty-four months, or if the contractor has not constructed at least  
82 twelve new homes to completion during the previous twenty-four  
83 months, then a list of all consumers for whom the contractor has  
84 constructed a new home to completion during the previous twenty-  
85 four months, and to contact several individuals on the list to discuss  
86 the quality of such contractor's new home construction work, (2) state  
87 in any advertisement, including any advertisement in a telephone  
88 directory, the fact that such contractor is registered, and (3) include  
89 such contractor's registration number in any such advertisement. The  
90 new home construction contractor, or his agent, shall also discuss with  
91 the consumer the installation of an automatic fire extinguishing system  
92 in a new home.

93 (b) A new home construction contractor shall include in every  
94 contract with a consumer a provision advising the consumer that the  
95 consumer may be contacted by such contractor's prospective  
96 consumers concerning the quality and timeliness of such contractor's  
97 new home construction work, unless the consumer advises such  
98 contractor, in writing, at the time the contract is executed, that the  
99 consumer prefers not to be contacted.

100 (c) The written notice required in subsection (a) of this section shall  
101 be in capital letters not less than ten-point bold face type, and may  
102 include a statement in substantially the following form:

103 "NEW HOME CONSTRUCTION CONTRACTOR

104 REGISTRATION NOTICE

105 A CERTIFICATE OF REGISTRATION AS A NEW HOME  
106 CONSTRUCTION CONTRACTOR DOES NOT REPRESENT IN ANY  
107 MANNER THAT THE CONNECTICUT DEPARTMENT OF  
108 CONSUMER PROTECTION ENDORSES THE QUALITY OF THE  
109 CONTRACTOR'S NEW HOME CONSTRUCTION WORK OR THE

110 CONTRACTOR'S COMPETENCY TO ENGAGE IN NEW HOME  
111 CONSTRUCTION.

112 ACCORDINGLY, YOU ARE ADVISED TO:

113 (1) REQUEST FROM THE CONTRACTOR A LIST OF  
114 CONSUMERS OF THE LAST TWELVE NEW HOMES  
115 CONSTRUCTED TO COMPLETION BY THE CONTRACTOR  
116 DURING THE PREVIOUS TWENTY-FOUR MONTHS, OR IF THE  
117 CONTRACTOR HAS NOT CONSTRUCTED AT LEAST TWELVE  
118 NEW HOMES TO COMPLETION DURING THE PREVIOUS  
119 TWENTY-FOUR MONTHS, THEN A LIST OF ALL CONSUMERS  
120 FOR WHOM THE CONTRACTOR HAS CONSTRUCTED A NEW  
121 HOME TO COMPLETION DURING THE PREVIOUS TWENTY-  
122 FOUR MONTHS,

123 (2) CONTACT SEVERAL INDIVIDUALS ON THE LIST TO  
124 DISCUSS THE QUALITY AND THE TIMELINESS OF THE  
125 CONTRACTOR'S NEW HOME CONSTRUCTION WORK, AND

126 (3) CONTACT THE DEPARTMENT OF CONSUMER  
127 PROTECTION TO VERIFY THE REGISTRATION INFORMATION  
128 PRESENTED BY THE CONTRACTOR AND TO ASCERTAIN THE  
129 CONTRACTOR'S COMPLAINT HISTORY WITH THE  
130 DEPARTMENT.

131 IN ADDITION, YOU ARE ADVISED TO DISCUSS WITH THE  
132 NEW HOME CONSTRUCTION CONTRACTOR:

133 (1) WHETHER THE CONTRACTOR HAS A CUSTOMER SERVICE  
134 POLICY AND IF SO, THE IDENTITY OF THE PERSON  
135 DESIGNATED TO ASSIST YOU IN RESOLVING ANY COMPLAINT  
136 ABOUT THE CONTRACTOR'S WORK, [AND]

137 (2) WHETHER THE CONTRACTOR WILL HOLD YOU  
138 HARMLESS FOR WORK PERFORMED BY ANY SUBCONTRACTOR  
139 HIRED BY THE CONTRACTOR, AND

140     (3) THE INSTALLATION OF AN AUTOMATIC FIRE  
141     EXTINGUISHING SYSTEM.

142     THIS NOTICE DOES NOT CONTAIN AN EXHAUSTIVE LIST OF  
143     THE INQUIRIES YOU SHOULD MAKE BEFORE CONTRACTING  
144     WITH A NEW HOME CONSTRUCTION CONTRACTOR.  
145     ADDITIONAL INFORMATION TO ASSIST YOU IN YOUR  
146     SELECTION OF A NEW HOME CONSTRUCTION CONTRACTOR  
147     MAY BE OBTAINED BY CONTACTING THE CONNECTICUT  
148     DEPARTMENT OF CONSUMER PROTECTION."

149     (d) No person shall: (1) Present, or attempt to present as such  
150     person's own, the certificate of another; (2) knowingly give false  
151     evidence of a material nature to the commissioner for the purpose of  
152     procuring a certificate; (3) represent such person falsely as, or  
153     impersonate, a registered new home construction contractor; (4) use or  
154     attempt to use a certificate which has expired or which has been  
155     suspended or revoked; (5) engage in the business of a new home  
156     construction contractor or hold himself or herself out as a new home  
157     construction contractor without having a current certificate of  
158     registration under sections 20-417a to 20-417i, inclusive, and subsection  
159     (b) of section 20-421; (6) represent in any manner that such person's  
160     registration constitutes an endorsement of the quality of such person's  
161     work or of such person's competency by the commissioner; or (7) fail  
162     to refund a deposit paid to a new home construction contractor not  
163     later than ten days after a written request mailed or delivered to the  
164     new home construction contractor's last known address, if (A) the  
165     consumer has complied with the terms of the written contract up to the  
166     time of the request, (B) no substantial portion of the contracted work  
167     has been performed at the time of the request, (C) more than thirty  
168     days has elapsed since the starting date specified in the written  
169     contract or more than thirty days has elapsed since the date of the  
170     contract if such contract does not specify a starting date, and (D) the  
171     new home construction contractor has failed to provide a reasonable  
172     explanation to the consumer concerning such contractor's failure to  
173     perform a substantial portion of the contracted work. For purposes of

174 this subdivision, "substantial portion of the contracted work" includes,  
175 but is not limited to, work performed by the new home construction  
176 contractor to (i) secure permits and approvals, (ii) redraft plans or  
177 obtain engineer, architect, surveyor or other approvals for changes  
178 requested by the consumer or made necessary by site conditions  
179 discovered after the contract is executed, (iii) schedule site work or  
180 arrange for other contractors to perform services related to the  
181 construction of the consumer's new home, and (iv) do any other work  
182 referred to in the contract as a "substantial portion of the contracted  
183 work".

This act shall take effect as follows:	
Section 1	<i>July 1, 2003</i>
Sec. 2	<i>October 1, 2003</i>

***Statement of Legislative Commissioners:***

House Amendment Schedule "B" could not be given effect because the line number referred to was among lines struck by House Amendment Schedule "A" and replaced with new language.

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

### **OFA Fiscal Note**

#### **State Impact:**

<b>Agency Affected</b>	<b>Fund-Type</b>	<b>FY 04 \$</b>	<b>FY 05 \$</b>
Public Safety, Dept.	GF - None	None	None
Social Services, Dept.	GF - Cost	None	Significant
Judicial Dept.	GF - Revenue Gain	Potential Minimal	Potential Minimal

Note: GF=General Fund

**Municipal Impact:** None

#### **Explanation**

The bill as amended requires all nursing home and nursing home facilities in the state to have automatic fire sprinklers by July 1, 2005. This is expected to result in a significant cost to the Department of Social Services through Medicaid reimbursements for nursing home services. Of the 254 nursing facilities in the state, 31 currently have only partial sprinkler systems and 17 have no sprinkler systems. The remainder of these facilities have sufficient systems.

The cost of the installation of such systems will vary greatly based on the degree to which the partial buildings need to be upgraded, the complexity of the individual jobs and the market conditions at the time of upgrade. Current construction estimates for sprinkler systems range between \$2 and \$3 per square foot for installation, plus additional alarm and detection system upgrades. It is estimated that fire sprinkler installation at the 17 facilities with no current system will cost \$200,000 each, while installation at the 31 facilities with partial system will cost \$125,000 each (these estimates assume a total average square footage for each facility of 45,000). Therefore, the total estimated cost for these installations would be \$7,275,000.



A portion of these costs (equal to each home's proportion of Medicaid patients) would be eligible for reimbursement as capital improvements under the Medicaid program. Assuming that the homes amortized these costs for 20 years, at a 7% rate of return, the net annual increase to the Medicaid program would be approximately \$550,000, when all facilities are completely upgraded. Given the design and construction time necessary for these upgrades, it is unlikely that Medicaid rates would be adjusted to reflect these increased costs before FY05. These increased Medicaid costs are eligible for 50% reimbursement from the Federal government.

While passage of the bill would not result in any fiscal impact to state or local fire marshals and building officials, there would be a potential revenue gain as a result of fines imposed on violators of certain sprinkler requirements. The number of potential violations is not known at this time.

House Amendment "A" specifies those nursing home facilities that would be subject to the provisions of the bill. In addition, House "A" clarifies that the Attorney General is required to institute civil actions to recover penalties for violations of the provisions. Since it is anticipated that revenues would be deposited in the General Fund, passage would not alter the fiscal impact of the original bill. The number of potential violations or amount of revenue is unknown at this time.

House Amendment "B" authorizes the State Fire Marshal to approve installation of fire sprinkler systems after July 1, 2005 in certain circumstances and does not alter the fiscal impact described in the original bill.

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**OLR Bill Analysis**

sHB 6579 (as amended by House "A" and "B")\*

**AN ACT CONCERNING THE INSTALLATION OF FIRE SPRINKLER  
SYSTEMS IN NURSING HOMES AND NEW HOME  
CONSTRUCTION**

**SUMMARY:**

By July 1, 2005, this bill requires all licensed chronic and convalescent nursing homes and rest homes with nursing supervision to have automatic fire sprinklers approved by the state fire marshal on every floor. By July 1, 2004, it requires owners or authorized agents of such homes to (1) submit installation plans for the sprinklers, signed and sealed by a licensed professional engineer, to the state fire marshal or to the local fire marshal and building official in whose jurisdiction the building is located and (2) apply for building permits for the systems.

The bill imposes a civil fine of up to \$1,000 on violators of these requirements and existing law's requirements for sprinklers in specified buildings. The penalty applies for each day the violation continues. It requires the attorney general, at the state fire marshal's request, to institute civil actions to recover these penalties.

The bill also requires new home construction contractors or their agents to discuss with consumers the installation of automatic fire sprinklers in new homes. They must notify new homeowners of the advisability of discussing this information in the written notice that they are already required to provide to new home buyers before entering a into contract.

\*House Amendment "A" (1) limits the sprinkler requirement to certain types of nursing homes, instead of all nursing homes; (2) eliminates the prison term for violations, and replaces it with a \$1,000 fine per day; (3) requires the attorney general to institute recovery actions; and (4) makes a technical change.

\*House Amendment "B" has no effect because it amends language removed by House A.

EFFECTIVE DATE: July 1, 2003, except the new home provision is effective October 1, 2003.

## **BACKGROUND**

### ***Places Requiring Sprinklers Under Law***

The law requires approved automatic fire sprinklers on each floor of:

1. new buildings with more than four stories built for human occupancy;
2. all residential buildings with more than four stories and occupied primarily by the elderly;
3. any residential building occupied primarily by, or designed primarily for, elderly occupants, if the building has more than 12 living units and is issued a building permit for new occupancy or is substantially renovated on or after January 1, 1997;
4. any hotel or motel with more than five guest rooms that provides sleeping accommodations for more than 16 persons and is issued a building permit for new occupancy on or after January 1, 1987;
5. hotels or motels with more than four stories; and
6. new educational buildings that are eligible for a school building project grant and put out to bid after July 1, 2004.

### ***Legislative History***

The House referred the bill to the (1) General Law Committee on April 9, (2) Judiciary Committee on April 22, and (3) Appropriations Committee on May 7. All three committees reported the bill favorably without change.

## **COMMITTEE ACTION**

Public Safety Committee

Joint Favorable Substitute

Yea    22        Nay        0

General Law Committee

Joint Favorable Report

Yea    16        Nay        0

Judiciary Committee

Joint Favorable Report

Yea    37        Nay        0

Appropriations Committee

Joint Favorable Report

Yea    44        Nay        0